WGRF

2024

ANNUAL REPORT

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Our vision

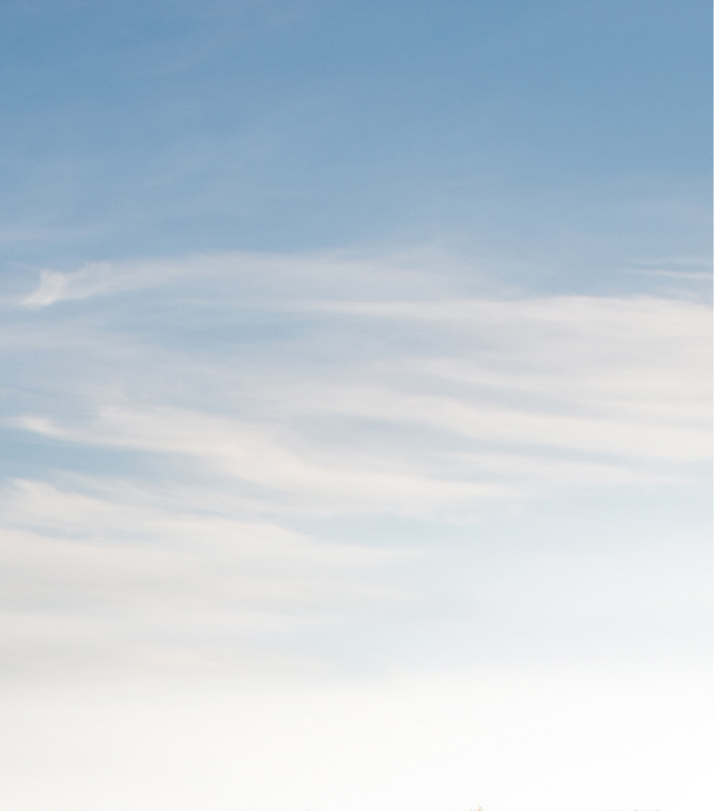
Profitable and sustainable western Canadian grain farmers

Our mission

Producers directing investments into crop research to benefit western Canadian grain farmers

WGRF Research Priorities

Priority areas for single crop and whole farm integrated multi-crop research



- Barley
- Canary seed
- Canola
- Chickpea
- Corn
- Faba bean
- Flax
- Lentil
- Mustard
- Oat
- Pea
- Soybean
- Sunflower
- Wheat
- Winter cereals

Variety development

e.g., genetics, breeding methods, pre-breeding, breeding, pest resistance development, breeding for crop quality, variety trialing

Production

e.g., cropping systems, crop nutrition, pest (insect, disease, weed) management, production management, soil quality, water use efficiency, fertilizer use efficiency, adaptation to and mitigation of climate change, crop quality, storage, storage pests, economic analysis

LAURA REITER
Chair, WGRF

Message from the **Chair**

This past year has been an exciting one for many reasons.

We have seen some pretty tremendous advances in the agriculture research world as of late. At the same time, our national research community has really come together in recent years to collaborate to advance research that addresses current and future challenges faced by producers. You'll see this commitment reflected in all the research we funded throughout 2024.

As a grain farmer myself, this work excites me. But another area I am particularly passionate about is communication initiatives focused on transferring research knowledge to producers, to help us become more efficient, productive, sustainable and profitable.

In this area, WGRF made some major advances in 2024. First, along with our funding partners, we were excited to launch the Prairie Weed Monitoring Network (PWMN) this summer. The PWMN is a website designed to provide producers and industry members with up-to-date information about weed threats across the Prairies and how to best manage them. We believe this resource can also play a vital role in mitigating selection pressure for herbicide-resistant weeds. Learn more at www.prairieweeds.com

Another WGRF-supported website, the Prairie Crop Disease Monitoring Network, was also launched with the support of our partners last summer. Much like the weed-focused website, this resource was designed to provide producers and industry members with timely information about crop diseases and best management strategies for them. We expect this resource will be heavily used in coming years and will help us make real progress in managing and hopefully preventing some of these ongoing issues. Learn more at prairiecropdisease.com

WGRF also hosts a number of other online resources for producers, to help them strengthen their production practices, mitigate risks and deal with challenges. You can find all of these on our website.

Going forward, I am excited to see how these new resources will support our industry, and how we can expand this support to meet emerging threats.

Each year we celebrate our accomplishments but it's also important to note that none of this work would be possible without the dedicated staff and Board members that power this organization, and without our amazing funding partners, with whom we work so closely throughout the year. Thank you to everyone who helped make 2024 another successful year for WGRF and ag research.

LAURA REITER
WGRF Chair

Going forward,
I am excited to see how these new resources will support our industry, and how we can expand this support to meet emerging threats.

WAYNE THOMPSON
Executive Director, WGRF

Message from the **Executive Director**

It is an exciting time for Canadian agriculture research industry, and 2024 really showcased this.

Not only have we seen major breakthroughs in genetics and technology in recent years, we are also seeing new technologies such as artificial intelligence, automation, drones and robotics being used to boost and accelerate research projects like never before.

WGRF continues to collaborate with several organizations to fund research. I am confident that our shared goals are reflected in all the research we funded in 2024. The research will address the most significant concerns of Prairie grain producers, help us capitalize on growing opportunities, and support profitable and sustainable western Canadian crop production.

You will see these themes within the Sustainable Canadian Agricultural Partnership research to which WGRF committed $6.6 million. This includes $3.5 million for the national wheat and barley clusters and $1 million for the Diverse Field Crop Cluster.

Beyond investing in research, we also increased our extension work efforts last year, as we believe that communicating the outcomes of our research and building shared resources is just as important as the research itself.

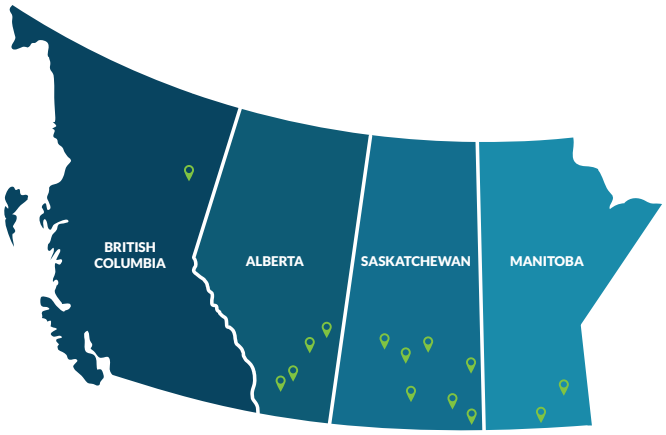
I know my excitement for agricultural research is shared by our entire staff and Board at WGRF. I want to thank them for this enthusiasm, because I believe it's what fuelled their hard work and dedication once again throughout 2024.

Looking ahead, I am excited for another year of exciting breakthroughs and advancements for the agricultural research world in 2025. I hope you will follow our progress as well.

WAYNE THOMPSON
Executive Director, WGRF

WGRF continues to collaborate with several organizations to fund research. I am confident that our shared goals are reflected in all the research we funded in 2024.

2024 Board of Directors



Kevin Auch
Carmangay, AB (Vice-Chair)

Dave Bishop
Barons, AB

Maurice Berry
Carievale, SK

Terry Boehm
Allan, SK

Keith Degenhardt
Hughenden, AB

Jack Froese
Winkler, MB

Wade Hainstock
Moose Jaw, SK

Alan Hampton
Rowley, AB

Adam Littman
Saltcoats, SK

Doug Martin
East Selkirk, MB

Malcolm Odermatt
Fort St. John, BC

Kenton Possberg
Humboldt, SK

Chris Procyk
Fillmore, SK

Laura Reiter
Radisson, SK (Chair)

Member Organizations

The WGRF Bylaws allow three classes of Members: A, B and C. Class A is for producer organizations while Classes B and C are for government and industry organizations, respectively.

Class A Members

- Agricultural Producers Association of Saskatchewan
- Alberta Federation of Agriculture
- Alberta Grains
- BC Grain Producers Association
- Canadian Canola Growers Association
- Canadian Seed Growers Association
- Keystone Agricultural Producers
- Manitoba Crop Alliance
- National Farmers Union
- Prairie Oat Growers Association
- Saskatchewan Barley Development Commission
- Saskatchewan Wheat Development Commission
- Western Pulse Growers
- Wheat Growers Association

Class B Members

- Agriculture and Agri-Food Canada

WGRF Staff

Clarisse Dayego
Accounting Clerk

Mike Espeseth B.Comm.
Communications Manager

Valar Gurusamy, Ph.D., PAg
Research Program Manager

Joelle Harris, B.S.A., PAg
Research Program Manager

Glenda Hetterly, CPA, CA
Finance Manager

Lisa Jategaonkar, M.Sc., PAg
Research Program Manager

Candice Lajeunesse
Program Administrator

Bimpe Oyeneye, M.Sc., PAg
Research Program Manager

Wayne Thompson
Executive Director

Financial Statements

YEAR ENDED DECEMBER 31, 2024

Independent Auditors' Report

Lingard + Dreger
CHARTERED PROFESSIONAL ACCOUNTANTS

880 Broadway Ave #200
Saskatoon, SK S7N 3A7

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W lingarddreger.ca

MAX LINGARD
MPAcc., CPA, CA

BRENDEN DREGER
CPA

JASON VANDER ENDE
CPA

To the Directors of Western Grains Research Foundation

Qualified Opinion

We have audited the financial statements of Western Grains Research Foundation (the Foundation), which comprise the statement of financial position as at December 31, 2024, and the statements of operations and changes in fund balances, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

The Foundation derives part of its earnings from payments from royalties, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenue from these sources was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to payments received from royalties, excess of revenue over expenditures, and cash flows from operations for the years ended December 31, 2024, and December 31, 2023, current assets as of December 31, 2024, and December 31, 2023, and fund balances as at January 1 and December 31, for both the 2024 and 2023 years.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditors' Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Lingard + Dreger

Chartered Professional Accountants

Saskatoon, Saskatchewan
March 3, 2025

STATEMENT OF

Financial Position

As at December 31, 2024

CURRENT ASSETS	2024	2023
Cash and cash equivalents (Note 3)	33,379,666	13,281,201
Accounts receivable (Note 6)	4,544,415	10,362,780
Prepaid expenses	79,530	77,937
Investments, short-term (Note 7)	12,049,719	10,875,000
	$50,053,330	**$34,596,918**
LONG-TERM ASSETS		
Investments, long-term (Notes 8, 9)	183,734,787	167,960,278
	$233,788,117	**$202,557,196**
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 10)	1,073,834	722,505
FUND BALANCES (Notes 4, 13)		
Capital fund	9,066,972	9,066,972
Research Fund (Schedule 1)	182,329,276	156,388,559
Wheat Fund (Schedule 2)	38,640,357	33,785,185
Barley Fund (Schedule 3)	2,677,678	2,593,975
	$232,714,283	**$201,834,691**
	$233,788,117	**$202,557,196**

CONTINGENT LIABILITY (Note 17)

See accompanying notes

APPROVED BY THE BOARD

LAURA REITER
Chair

ADAM LITTMAN
Director

STATEMENT OF

Operations and Changes in Fund Balances

Year ended December 31, 2024

REVENUES	2024	2023
Unrealized gain on investments	24,835,607	11,971,880
Investment income	5,879,827	6,424,027
Other income (Note 12)	2,710,692	7,248,438
Royalties (Note 11)	2,791,680	3,221,348
Gain on sale of investments	9,281,363	5,789,943
Foreign exchange gain (loss)	416,722	(101,410)
	$45,915,891	**$34,554,226**
EXPENDITURES		
Research project funding	9,942,730	8,074,503
Research capacity funding	2,152,008	4,532,695
Investment management fees	653,915	571,307
Operating & program expenses (Schedule 4)	2,287,646	2,271,150
	$15,036,299	**$15,449,655**
Excess of revenue over expenditures	30,879,592	19,104,571
Fund balances, beginning of year	201,834,691	182,730,120
FUND BALANCES, END OF YEAR	**$232,714,283**	**$201,834,691**

See accompanying notes

STATEMENT OF

Cash Flows

Year ended December 31, 2024

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	2024	2023
Excess of revenue over expenditures	30,879,592	19,104,571
Items not affecting cash		
Unrealized gain on investments	(24,835,607)	(11,971,880)
Amortization of net discounts on bonds	(1,279)	(719)
Gain on sale of investments	(9,281,363)	(5,789,943)
Return of capital and income reinvestments	(164,703)	(129,127)
Changes in non-cash working capital	6,168,101	(1,773,810)
	$2,764,741	**($560,908)**
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Purchases of investments	(23,680,516)	(26,118,986)
Sales and maturities of investments	41,014,240	25,740,181
	$17,333,724	**($378,805)**
Increase (decrease) in cash during the year	20,098,465	(939,713)
Cash position, beginning of year	13,281,201	14,220,914
Cash position, end of year	**$33,379,666**	**$13,281,201**
CASH AND CASH EQUIVALENTS IS COMPOSED OF		
Cash	8,305,205	878,222
Cash equivalents	25,074,461	12,402,979
	$33,379,666	**$13,281,201**

See accompanying notes

SCHEDULE 1

Year ended December 31, 2024

Research Fund Operations and Changes in Fund Balances

REVENUES	2024	2023
Investment income	4,779,018	5,324,822
Other income (Note 12)	2,710,692	7,248,438
Gain on sale of investments	8,402,769	5,298,890
Unrealized gain on investments	20,349,382	9,900,127
Foreign exchange gain (loss)	402,384	(93,827)
	$36,644,245	**$27,678,450**
EXPENDITURES		
Research funding		
Agronomy	3,606,078	3,649,953
Variety development	2,430,721	2,100,335
Other	257,686	-
Agronomy capacity	2,052,008	4,532,695
	$8,346,493	**$10,282,983**
Investment management fees	538,877	471,022
Operating & program expenses (Schedule 4)	1,818,158	1,822,112
	$10,703,528	**$12,576,117**
EXCESS OF REVENUE OVER EXPENDITURES	25,940,717	15,102,333
Research fund, beginning of year (Note 4)	**$156,388,559**	**$141,286,226**
RESEARCH FUND, END OF YEAR (Notes 4, 13)	**$182,329,276**	**$156,388,559**

See accompanying notes

SCHEDULE 2

Year ended December 31, 2024

Wheat Fund Operations and Changes in Fund Balances

OPERATING ACCOUNT	2024	2023
REVENUES		
Royalties (Note 11)	2,410,753	2,700,186
Investment income	10,177	11,380
	$2,420,930	**$2,711,566**
EXPENDITURES		
RESEARCH FUNDING		
Agronomy	293,233	402,263
Variety development	1,694,123	1,641,667
Canadian National Wheat Cluster	970,804	(35,529)
Agronomy capacity	100,000	-
	$3,058,160	**$2,008,401**
Operating & program expenses (Schedule 4)	376,152	359,061
	$3,434,312	**$2,367,462**
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENDITURES	(1,013,382)	344,104
Transfer from (to) wheat reserve account	430,618	(222,731)
Operating account, beginning of year (Note 4)	1,937,630	1,816,257
OPERATING ACCOUNT, END OF YEAR	**$1,354,866**	**$1,937,630**
RESERVE ACCOUNT		
Investment income	1,022,257	1,004,550
Gain on sale of investments	581,003	483,381
Unrealized gain on investments	4,360,416	1,866,022
Foreign exchange gain (loss)	12,754	(7,093)
Investment management fees	(107,876)	(93,715)
RESERVE EXCESS FOR THE YEAR	**5,868,554**	**3,253,145**
Transfer (to) from wheat operating account	(430,618)	222,731
Reserve account, beginning of year (Note 4)	31,847,555	28,371,679
RESERVE ACCOUNT, END OF YEAR	**$37,285,491**	**$31,847,555**
WHEAT FUND, END OF YEAR (Notes 4, 13)	**$38,640,357**	**$33,785,185**

See accompanying notes

SCHEDULE 3

Year ended December 31, 2024

Barley Fund Operations and Changes in Fund Balances

OPERATING ACCOUNT	2024	2023
REVENUES		
Royalties (Note 11)	380,927	521,162
Investment income	2,544	2,845
	$383,471	**$524,007**
EXPENDITURES		
RESEARCH FUNDING		
Agronomy	146,634	84,983
Variety development	208,782	233,310
National Barley Cluster	334,669	(2,479)
	$690,085	**$315,814**
Operating & program expenses (Schedule 4)	93,336	89,977
	$783,421	**$405,791**
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENDITURES	(399,950)	118,216
Transfer from barley reserve account	325,176	50,160
Operating account, beginning of year (Note 4)	303,264	134,888
OPERATING ACCOUNT, END OF YEAR	**$228,490**	**$303,264**
RESERVE ACCOUNT		
Investment income	65,831	80,430
Gain on sale of investments	297,591	7,672
Unrealized gain on investments	125,809	205,731
Foreign exchange gain (loss)	1,584	(490)
Investment management fees	(7,162)	(6,570)
RESERVE EXCESS FOR THE YEAR	**483,653**	**286,773**
Transfer to barley operating account	(325,176)	(50,160)
Reserve account, beginning of year (Note 4)	2,290,711	2,054,098
RESERVE ACCOUNT, END OF YEAR	**$2,449,188**	**$2,290,711**
BARLEY FUND, END OF YEAR (Notes 4, 13)	**$2,677,678**	**$2,593,975**

See accompanying notes

SCHEDULE 4

Year ended December 31, 2024

Operating and Program Expenditures

	Research Fund	Wheat Fund	Barley Fund	Total 2024	Total 2023
EXPENDITURES (Note 14)					
Wages and benefits	888,730	236,994	59,249	1,184,973	1,178,363
Communications	242,845	50,125	11,576	304,546	298,972
Scholarships	330,000	-	-	330,000	330,000
Office (Note 15)	159,335	42,491	10,624	212,450	190,853
Professional fees	38,758	6,952	1,738	47,448	36,585
Consulting fees	25,174	3,663	916	29,753	33,689
Travel and other	67,090	18,255	4,815	90,160	105,985
Per diems	66,226	17,672	4,418	88,316	96,703
OPERATING & PROGRAM EXPENDITURES FOR THE YEAR	**$1,818,158**	**$376,152**	**$93,336**	**$2,287,646**	**$2,271,150**

See accompanying notes

NOTES TO THE

Financial Statements

YEAR ENDED DECEMBER 31, 2024

1. DESCRIPTION OF THE FOUNDATION

Western Grains Research Foundation (the "Foundation" or "WGRF") is a farmer funded and directed not-for-profit organization investing in agricultural field crop research to benefit western Canadian producers.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following significant accounting policies:

REVENUE RECOGNITION

A) WHEAT AND BARLEY FUNDS

Investment income, including any unrealized changes in fair market value in equity securities and pooled funds, is recognized as income of the respective reserve account in the year earned.

Royalties earned by the Wheat and Barley Funds are recognized in the operating accounts of the respective funds when the amount is known and collection is reasonably assured; some amounts cannot be determined by the Foundation prior to receipt.

B) RESEARCH FUND

Investment income, including any unrealized changes in fair value in equity securities and pooled funds, is recognized as income in the year earned.

In some years, WGRF has been awarded funds by the Canadian Transportation Agency ("CTA") as a result of Canadian Pacific Kansas City Limited ("CPKC") and Canadian National Railway Company ("CN") exceeding their Maximum Revenue Entitlement ("MRE") for movement of grain in Western Canada. This revenue is recognized and recorded as other income in the Research Fund when the amount is known and collection is reasonably assured.

RECOGNITION OF CONTRIBUTIONS

WGRF follows the restricted fund method whereby revenues of a specific fund are recognized in the fund corresponding to the purpose for which they were contributed when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

INVESTMENT INCOME

Investment income includes interest, dividends and income distributions from pooled funds earned in the year and realized gains and losses from dispositions of investment assets in the year. Unrealized changes in fair value from year to year are recognized in earnings.

FUND OPERATIONS

Revenue earned, net of operating expenditures, is allocated to designated funds. Research funding paid in the year is charged against the respective fund.

ROYALTIES

The Foundation's share of royalties derived from wheat or barley variety development are recorded as royalty revenue in the respective statement of fund operations. Upon approval of the Board of Directors certain royalty funds may be subsequently reinvested with research organizations for the funding of specific royalty projects and recorded as royalty expenditures in the respective statement of fund revenue and expenditures for wheat or barley.

(continued on next page)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

FOREIGN CURRENCY TRANSLATION

The Foundation follows the temporal method of accounting for the translation of foreign currency amounts into Canadian dollars. Under this method, monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate in effect at the balance sheet date. Non-monetary assets are translated at the historical rate of exchange. Revenue and expenses are translated at the rate of exchange prevailing on the transaction date. Gains and losses on translation are reflected in income.

FINANCIAL INSTRUMENTS

The Foundation initially measures its financial assets and financial liabilities at fair value. It subsequently measures investments in equity securities and pooled funds at fair value. Other financial assets and financial liabilities including cash and cash equivalents, accounts receivable, investments in debt instruments and accounts payable and accrued liabilities are subsequently measured at amortized cost.

USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The inherent uncertainty involved in making such estimates and assumptions may impact the actual results reported in future periods. Significant estimates include, but are not limited to, accruals for certain revenues.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of balances with banks, in investment accounts, and short-term investments with original maturities of three months or less.

4. FUNDS

CAPITAL FUND

The Foundation was funded by the Canadian Ministry of Agriculture on May 2, 1983 by a $9,066,972 contribution to the Capital Fund. The funding contribution represented an amount equivalent to the balance remaining in the Prairie Farm Emergency Fund, which was derived entirely by deductions from prairie farmer grain sales.

RESEARCH FUND

Annual investment revenue earned from the initial Capital Fund contribution and funds awarded by the CTA to the Foundation as a result of CN and CPKC exceeding their Maximum Revenue Entitlements for the movement of grain in Western Canada, net of operating, program and research funding expenditures, is allocated to the Research Fund. The Research Fund is not externally restricted and can be spent at the discretion of the Foundation's Board of Directors, subject to its own internal Research Fund Policy. In 2019 the Board approved a Research Fund Policy that provides for maintaining a minimum fund value of $100 million, indexed annually for inflation beginning in 2020. At December 31, 2024 the indexed minimum fund value is $118,286,539 (2023 - $116,423,759).

WHEAT FUND AND BARLEY FUND

Historically, the Wheat and Barley Funds were primarily funded by producer check-off and royalties earned on new seed varieties developed with WGRF funds. WGRF has not been the recipient of legislated check-off income since July 31, 2017.

5. INCOME TAX STATUS

The Foundation is a registered charity, designated as a public foundation under the Income Tax Act of Canada. As such, it is not subject to income taxes.

6. ACCOUNTS RECEIVABLE

	2024	2023
Accounts receivable include the following:		
Railway excess maximum revenue entitlements receivable	1,915,287	7,168,713
Receivable for Integrated Crop Agronomy Cluster ("ICAC")	35,412	273,026
Accrued interest receivable	718,800	647,836
Royalties receivable	1,786,092	2,193,807
Goods and Services Tax receivable	31,125	13,449
Other receivable	57,699	65,949
	$4,544,415	**$10,362,780**

7. INVESTMENTS — SHORT-TERM

Short-term investments are investments that mature in one year or less.

Investment Type	Effective Interest Rates	2024 Amortized Cost	2023 Amortized Cost
RESEARCH FUND			
Guaranteed investment certificates	1.05% - 6.05%	6,350,000	8,850,000
Government bonds	2.30% - 2.38%	2,999,719	-
		9,349,719	8,850,000
WHEAT FUND			
Guaranteed investment certificates	1.15% - 4.86%	2,500,000	1,800,000
BARLEY FUND			
Guaranteed investment certificates	1.45% - 4.03%	200,000	225,000
Total, All Funds		**$12,049,719**	**$10,875,000**

8. INVESTMENTS — LONG-TERM

Long-term investments are those that mature in more than one year or that are held for purposes other than trading. Guaranteed investment certificates, corporate extendible notes, and government and corporate bonds are recorded at amortized cost. Equity securities and pooled funds are recorded at fair value. Guaranteed investment certificates, corporate extendible notes, and government and corporate bonds mature between 2026 and 2032.

Investment Type	Effective Interest Rates	2024 Amortized Cost or Fair Value	2023 Amortized Cost or Fair Value
RESEARCH FUND			
Guaranteed investment certificates	1.20% - 5.27%	14,100,000	10,100,000
Corporate extendible notes	1.45% - 5.90%	23,000,000	32,500,000
Government and corporate bonds	2.30% - 5.59%	4,588,706	2,998,918
Canadian fixed income pooled funds		1,803,841	1,800,896
Canadian equities		29,971,635	29,698,913
Canadian equities pooled funds		1,646,884	1,629,600
Canadian real estate pooled funds		2,059,924	2,416,527
Foreign equities		63,682,504	47,596,530
Foreign equities pooled funds		9,548,209	9,614,434
		$150,401,703	**$138,355,818**

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8. INVESTMENTS — LONG-TERM (continued)

Investment Type	Effective Interest Rates	2024 Amortized Cost or Fair Value	2023 Amortized Cost or Fair Value
WHEAT FUND			
Guaranteed investment certificates	1.21% - 5.05%	5,450,000	5,200,000
Corporate extendible notes	1.45% - 6.33%	5,175,000	7,025,000
Government and corporate bonds	3.47% - 5.59%	574,543	-
Canadian fixed income pooled funds		696,924	868,529
Canadian equities		5,644,687	4,938,738
Canadian equities pooled funds		247,820	397,886
Canadian real estate pooled funds		370,838	382,494
Foreign equities		11,949,665	7,798,153
Foreign equities pooled funds		1,600,319	1,291,921
		$31,709,796	**$27,902,721**
BARLEY FUND			
Guaranteed investment certificates	1.95% - 5.23%	150,000	200,000
Canadian fixed income pooled funds		123,509	123,663
Canadian equities		405,681	460,836
Canadian equities pooled funds		20,398	25,200
Canadian real estate pooled funds		30,949	35,429
Foreign equities		801,630	754,853
Foreign equities pooled funds		89,765	101,758
Foreign real estate pooled funds		1,356	-
		$1,623,288	$1,701,739
TOTAL, ALL FUNDS		**$183,734,787**	**$167,960,278**

9. ACCUMULATED UNREALIZED GAINS ON INVESTMENT IN EQUITIES AND POOLED FUNDS

At December 31, 2024 there are unrealized gains on investments in equity securities and pooled funds of $74,717,220 (2023 - $49,881,613).

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities include the following:	2024	2023
Research payables	163,986	66,393
Capacity payables	825,957	571,042
Payable to Receiver General of Canada	1,290	2,300
Other trade payables and accrued liabilities	53,389	47,597
Vacation and other payables to employees	29,212	35,173
	$1,073,834	**$722,505**

11. ROYALTY INCOME

Royalty income includes the following:	2024	2023
WHEAT FUND		
Agriculture & Agri-Food Canada	2,388,075	2,648,379
University of Saskatchewan	19,895	42,729
University of Alberta	2,783	9,078
	$2,410,753	**$2,700,186**
BARLEY FUND		
Agriculture & Agri-Food Canada	285,148	391,400
University of Saskatchewan	95,779	129,762
	$380,927	**$521,162**
TOTAL, ALL FUNDS		
Agriculture & Agri-Food Canada	2,673,223	3,039,779
University of Saskatchewan	115,674	172,491
University of Alberta	2,783	9,078
	$2,791,680	**$3,221,348**

12. OTHER INCOME

RESEARCH FUND	2024	2023
CN excess Maximum Revenue Entitlement	-	3,630,836
CPKC excess Maximum Revenue Entitlement	1,915,287	3,537,877
Industry partner contributions (refunds) to ICAC research	511,678	(101,554)
Agriculture & Agri-Food Canada contribution to ICAC research	169,723	106,363
Agriculture & Agri-Food Canada contribution to ICAC program	114,004	74,916
	$2,710,692	**$7,248,438**

13. COMMITMENTS

The Foundation has approved and is committed to the following contributions to various universities for funding scholarships from the Research Fund over the next five years as follows:

2025	330,000
2026	330,000
2027	330,000
2028	330,000
2029	330,000
	$1,650,000

The Foundation has approved and is committed to the following research and capacity funding over the next five years as follows:

	RESEARCH FUND	WHEAT FUND	BARLEY FUND	TOTAL
2025	13,125,258	2,882,226	724,271	$16,731,755
2026	10,410,362	2,416,357	785,988	$13,612,707
2027	5,862,272	1,031,459	321,191	$7,214,922
2028	1,773,957	264,674	26,021	$2,064,652
2029	488,225	90,464	8,673	587,362
Thereafter	87,500	15,193	-	102,693
	$31,747,574	**$6,700,373**	**$1,866,144**	**$40,314,091**

The Board has approved the payment of Barley Fund commitments from the Research Fund if the Barley Fund drops below the amount internally restricted to fund projects designated as barley royalty research.

14. EXPENSE ALLOCATION

The Foundation allocates operating expenses between the Research Fund, the Wheat Fund and the Barley Fund using a percentage set annually by the Board of Directors. Certain expenditures, such as those related to scholarships, the Integrated Crop Agronomy Cluster, and certain other knowledge and technology transfer activities are allocated solely to the Research Fund.

	RESEARCH FUND	WHEAT FUND	BARLEY FUND	TOTAL
2023	75%	20%	5%	100%
2024	75%	20%	5%	100%

15. OPERATING LEASES

The Foundation leases office space and office equipment, the leases for which expire on or before March 31, 2027. The minimum total lease payments over the next five years are $179,021 plus Goods and Services Tax.

Annual payments due in each of the next five years are as follows:

2025	143,172
2026	35,755
2027	94
Thereafter	-
	$179,021

16. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2024, members of the Foundation's Board of Directors received payments for per diems and expenses of $103,528 (2023 - $126,992). All related party transactions are measured at the exchange amount, which is the consideration established and agreed to by the parties.

17. CONTINGENT LIABILITY

WGRF was the recipient of $3,221,492 from CN for exceeding its MRE for the 2021-22 crop year and was the recipient of $3,630,836 from CN for exceeding its MRE for the 2022-23 crop year. The Federal Court of Appeal has granted CN leave to appeal the calculation of the MRE in each of those crop years. In 2024 CPKC was granted intervenor status in the CN case and has requested that any relief granted to CN be made available to CPKC. WGRF was the recipient of $2,481,964 from CPKC for exceeding its MRE for the 2021-22 crop year and was the recipient of $3,537,877 from CPKC for exceeding its MRE for the 2022-23 crop year. WGRF may be required to return some or all of the excess MRE received for the 2021-22 and 2022-23 crop years. The possible outcome of these appeals cannot be reasonably estimated at this time. Accordingly, no provision for liability has been made in the financial statements as at December 31, 2023 or December 31, 2024.

18. FINANCIAL INSTRUMENTS

The Foundation's recognized financial assets and liabilities consist of cash and cash equivalents, accounts receivable, accrued interest receivable, investment in debt instruments, equity securities and pooled funds, and accounts payable and accrued liabilities. The carrying values of these items approximate their fair values except for investments in debt instruments, the carrying value of which is their amortized cost given the Foundation's policy to hold such investments to maturity.

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18. FINANCIAL INSTRUMENTS (continued)

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of a change in market interest rates.

The Foundation is exposed to interest rate risk on its fixed interest rate financial instruments. This risk is mitigated by the Foundation's policy to hold fixed interest rate financial instruments to maturity.

CREDIT RISK

Credit risk is the risk of loss arising from the failure of a counter party to fully honour its financial obligation to the Foundation, including its inability or unwillingness to return funds on deposit or pay borrowed principal and interest when they come due. Credit risk can also lead to losses when issuers or debtors are downgraded by credit rating agencies, which can lead to a fall in the market value of the debtor's obligation.

Financial instruments that potentially subject the Foundation to credit risk are cash and cash equivalents, accounts receivable, accrued interest receivable, and investment in debt instruments.

The credit risk with respect to cash and cash equivalents is mitigated by being held in a large financial institution with a credit rating of AA and is limited to the carrying amounts reported on the statement of financial position.

The Foundation assesses, on a continuous basis, accounts receivable on the basis of amounts it is virtually certain to receive. There is no provision for doubtful accounts at December 31, 2024 (2023 - $nil).

The Foundation's most significant credit risk exposure arises from its investment in interest bearing investments, including guaranteed investment certificates, municipal and provincial bonds, and corporate bonds and notes. The Foundation has policies to manage credit risk by setting limits to credit exposure through quality and quantity guidelines set out in the Foundation's Investment Policy.

MARKET PRICE RISK

Market price risk is the risk that the fair value of a financial instrument will change due to market prices (other than those arising from interest rate risk or currency risk). Changes in market price expose the Foundation to losses. The Foundation is exposed to market price risk on its equity investments and pooled funds.

The Foundation mitigates this risk by investing in equities that meet investment criteria set out in the Foundation's investment policy. A professional investment advisor invests and manages the investment portfolio in accordance with the Foundation's investment policy. Investments in equity securities and pooled funds are recorded at fair value. Fair value estimates are made at a specific point in time and may not be reflective of future value. The Foundation does not hold financial instruments for trading purposes.

CURRENCY RISK

Currency risk is the risk to the Foundation's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates.

The Foundation is exposed to foreign currency exchange risk on cash and cash equivalents, equity securities, and pooled funds held in foreign currencies.

The Foundation does not use derivative instruments to reduce its exposure to foreign currency risk as the investments are held for the long-term. Any residual currency risk is considered acceptable in the long-term without implementing a hedging strategy.

19. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

WGRF

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